

Independence & Liberty Bridges & Support for Senate Bills 1215, 1216, 1217, 1218 (2020)

Senate Economic and Small Business Development Committee

December 02, 2020

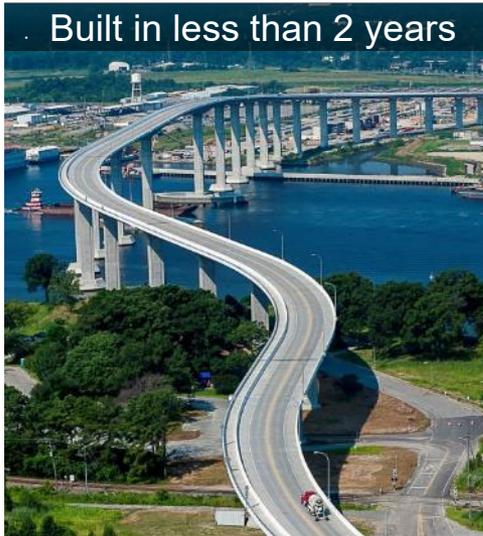


About UBP / BCBP



United Bridge Partners (UBP) designs, owns, operates and maintains private toll bridges

- ❖ UBP provides private funding to solve public infrastructure needs
- ❖ Strong record of project delivery with operating / developing assets in Virginia, Illinois, Michigan and Indiana
- ❖ UBP has developed a repeatable template for bridge replacement, in collaboration with localities, that can help address the nation's systemic problem of structurally deficient bridges
- ❖ We believe in investing in the communities in which we operate, through job creation with local labor and local materials, through contributions to local charities and businesses, and by building and operating our projects with the highest environmental standards



*South Norfolk Jordan Bridge
opened in 2012*

Bay City Bridge Partners (BCBP) is the local subsidiary of UBP for the Independence & Liberty Bridges Improvement Project



History & City Process

- ❖ Both bridges have experienced unplanned closures and consume a large portion of the City's transportation budget
- ❖ City commissioned an independent technical study to investigate options for the bridges:
 - No build / minimum repairs of \$34-\$44M
 - Recommended repairs: \$61M to \$81M
- ❖ City was unsuccessful in attempts to obtain regional, state, and Federal funding
- ❖ City millage or bond program is not practical legally & politically
- ❖ Regional Survey Findings:
 - Opposition to closing either bridge
 - Opposition to new taxes
- ❖ City sought innovative solutions for the including private solutions



MLive.com

State says no to taking over Bay City's Independence Bridge

State says no to taking over Bay City's Independence Bridge ... 23 that Bay City Manager Dana Muscott received on April 2, MDOT officials said ...
Apr 3, 2018



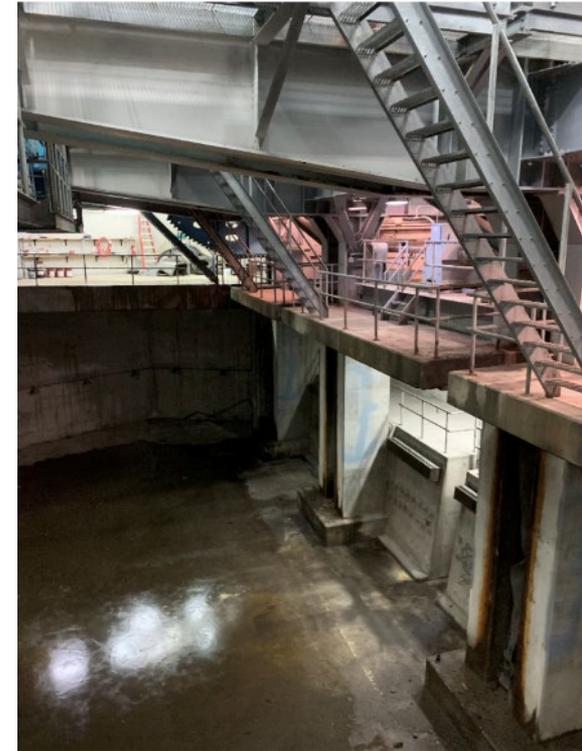
City-BCBP Agreement

- ❖ City issued a competitive & transparent RFP and selected BCBP for bridge improvements. Acquisition and Development Agreement signed with the City, effective January 02, 2020
- ❖ BCBP commits to finance, design, construct, operate and maintain the **rehabilitation and modernization of the Liberty Bridge** and **build a new replacement Independence Bridge**
- ❖ BCBP will lease the bridges from the City and then improve the structures. Tolling will be implemented after the project is complete
- ❖ **100% Privately funded with No Local, State or Federal tax dollars.**
- ❖ BCBP will work in partnership with City. BCBP assumes all risks
- ❖ Project will stimulate local economy and create approx. **1,000 new jobs**



Agreement Details & Public Protections

- ❖ Project is fully funded day 1 with zero cost long-term risk to the City.
- ❖ Agreement includes control and protection provisions to ensure that BCBP completes construction, inspects, maintains and operates the Bridges in accordance with federal and state regulations.
- ❖ Independent quality reviewer will be procured by the City at BCBP's cost.
- ❖ Local Control - Proposed tolling structure and future adjustments clearly laid out in acquisition and development agreement.
- ❖ Project has time constraints as BCBP has already assumed maintenance responsibility.



Why Bay City Bridge Partners

RIGHT SOLUTION

Rehabilitation and Modernization of Liberty Bridge and Replacement of the Independence bridge

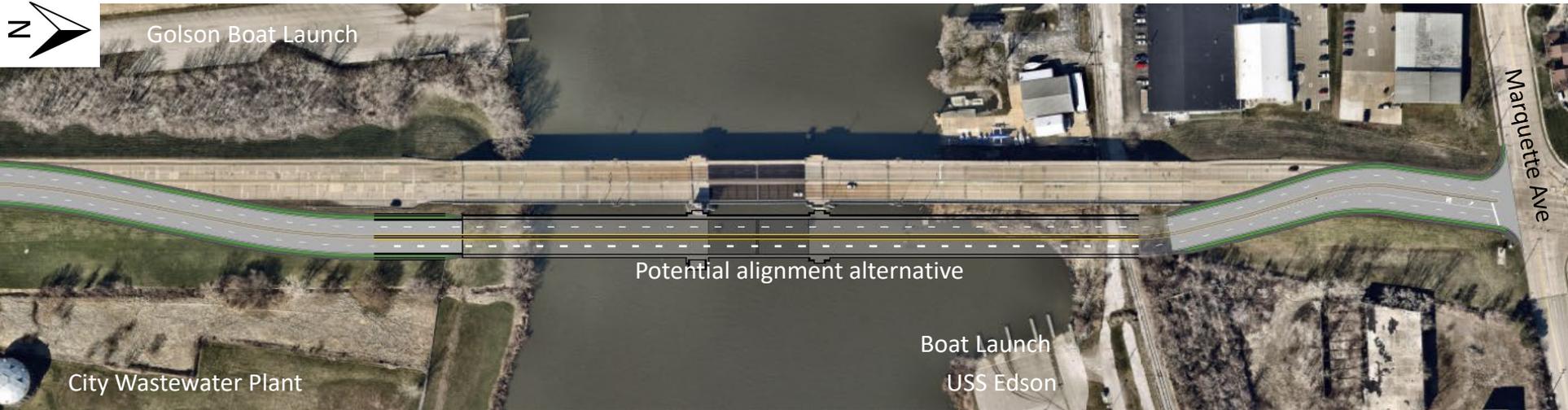
RIGHT TEAM

Assembled a national-caliber full-service finance, design, construction, and operations and maintenance team with extensive bascule bridge experience

RIGHT PLAN

Complete both structures in the most economical, shortest time frame with minimal impacts to Bay City residents and business owners. Commitment to union project and use of local resources

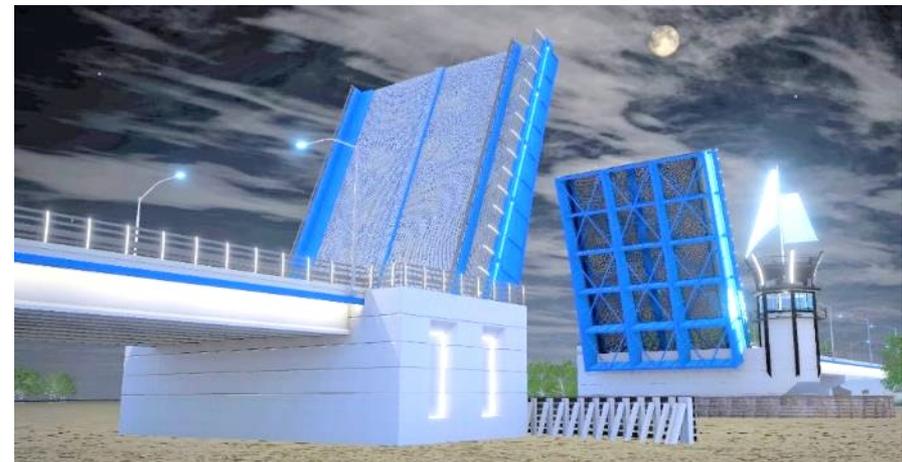
New Independence Bridge



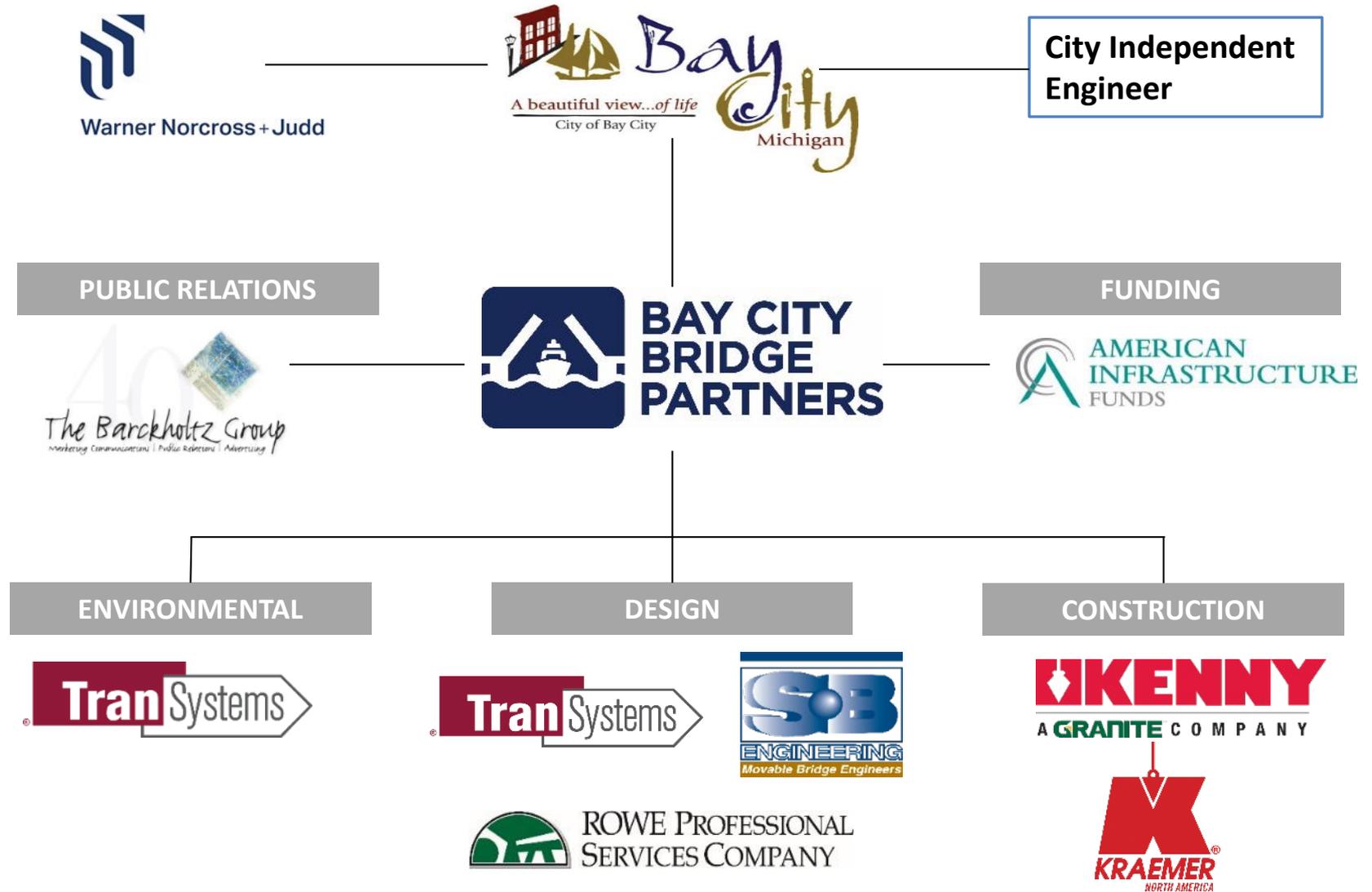
- New four lane bridge built next to the existing bridge
- Optimized profile to reduce openings
- Designed in accordance with MDOT and AASHTO design standards and regulations
- 75-year long (minimal) useful life
- Old bridge demolished after new bridge is complete

Liberty Bridge - Scope

- ❖ Complete rehabilitation and modernization of the Liberty Bridge
- ❖ Planned rehabilitation activities
 - Rehabilitate footings and foundation, substructure, superstructure, bridge deck replacement, scour protection and improved bascule electrical and mechanical systems
 - Upgrade operator house and warning gates. Add bridge performance monitoring
 - Widen existing bike/pedestrian path. Integrate architectural handrail and decorative lighting



Project Team



Maintenance & Operations

- ❖ BCBP has already assumed financial responsibility for maintenance
- ❖ Implementing robust asset management and preservation program
- ❖ New bascule operations & maintenance technology and best practices as part of design
- ❖ Open road tolling will be implemented (no toll booths)
- ❖ BCBP will design the toll system to be compatible with as many other toll systems as possible including EZ-Pass and the new MacPass stickers for Mackinac Bridge.



UBP's South Norfolk Jordan Bridge

Public Outreach



❖ Communication

- Townhall & stakeholder meetings
- Local general manager and team with office in downtown Bay City
- Ongoing social media communication tools to keep public informed and engaged

❖ Talent / Economic Development

- Coordinate job fairs with Great Lakes Bay Michigan Works!
- Collaborate with local trade programs to engage local employers and apprentices
- Work closely with Bay Area Chamber of Commerce and Bay Future
 - UBP recently was a sponsor in the Buy Bay City gift card stimulus program



Proposed Legislation

- ❖ BCBP and the City are seeking to amend 1909 PA 279 [The Home Rule City Act] to allow municipalities to enter into public-private agreements and authorize tolling relating to public bridge facilities
- ❖ Amendments are also proposed to provide property / ad valorem [General Property Tax Act] & lessee-user [Act 189 of 1953] tax exemptions for municipal bridges (no net reductions to existing property tax revenue)
 - Property taxes would make project economics unfeasible as the additional costs would result in tolls that are prohibitively high
 - BCBP will pay sales tax on materials used for construction
- ❖ BCBP and the City are also seeking an amendment [Section 23 of Act 156 of 1851] to clarify the requirement that a navigable stream shall not be bridged without county approval. The proposed amendment seeks to clarify that county approval is not required for the replacement of a structure previously approved if the replacement will not change navigational characteristics of the waterway
 - US Coast Guard Permit and environmental review are required prior to construction and will address public / agency comments

Proposed Legislation

- ❖ The package of bills will provide municipalities with an innovative project delivery tool that can be used to finance and build projects that would otherwise be unfeasible
- ❖ By using public-private agreements, municipalities can:
 - Expedite project schedules
 - Obtain access to additional capital for infrastructure
 - Maintain ownership of assets and protect public interests
 - Transfer design, construction, finance, long-term operation, and traffic revenue risks to the private sector
- ❖ Proposed bills are strongly supported by the City of Bay City as well as the business, economic development and labor communities



Proposed Legislation

We urge you to pass these bills so that the City can provide the community what they need, create jobs for the local economy, relieve themselves and the State/Federal Government from any future costs for maintaining the bridges, and have peace of mind that the bridges are safe and reliable

Questions & Contact Info

Contact Us

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